

## Message Text

UNCLASSIFIED

PAGE 01 CAIRO 07010 161614Z

21

ACTION EB-07

INFO OCT-01 NEA-10 ISO-00 CIAE-00 COME-00 DODE-00 DOTE-00

FMC-02 INR-07 NSAE-00 CG-00 OFA-01 DLOS-04 L-03 /035 W

----- 077610

R 161411Z JUL 75

FM AMEMBASSY CAIRO

TO SECSTATE WASHDC 5207

UNCLAS CAIRO 7010

EO 11652: NA

TAGS: EWWT, EG

SUBJECT: ALEXANDRIA SHIPPING AND NAVIGATION COMPANY, AGENT OF AMERICAN

EXPORT LINES (AEL)

REF: A. STATE 160400 B. CAIRO A-022

1. BASIC PROBLEM OF AEL APPEARS TO BE TYPICAL OF TRANSITIONAL PHASE PROBLEMS WHICH MANY FOREIGN COMPANIES ARE EXPERIENCING AS EGYPTIAN GOVERNMENT DEVELOPS ITS OPEN-DOOR POLICIES TOWARD FOREIGN BUSINESS. SPECIFIC PROBLEM OF TRANSFERRING AGENCIES FROM PUBLIC SECTOR COMPANIE

TO PRIVATE SECTOR DISCUSSED IN REF B WHICH TRANSMITS IMPLEMENTING INSTRUCTIONS FOR AGENCY LAW. THESE IMPLEMENTING REGULATIONS APPEAR TO BE RELEVANT TO THIS CASE.

2. COMPLICATING FEATURE OF AEL CASE IS THAT LAW 65/74, WHICH ESTABLISHES ALEXANDRIA SHIPPING AND NAVIGATION CO., DOES NOT INCLUDE AGENCY OPERATIONS WITHIN ITS CHARTER. THIS LAW (AVAILABLE ONLY IN ARABIC) DESCRIBES COMPANY AS PRIMARILY SHIP-OWNER AND OPERATOR. IF NARROWLY INTERPRETED, IT MIGHT CAUSE PROBLEMS FOR AEL AGENCY AGREEMENT. ANOTHER

PROBLEM COULD BE THAT ALEXANDRIA SHIPPING AND NAVIGATION CO. MAY NOT HAVE REGISTERED THIS AGENCY AGREEMENT WITH MIN OF TRADE AS REQUIRED BY IMPLEMENTING REGULATIONS. IN THESE CIRCUMSTANCES, IT MAY BE APPROPRIATE FOR AEL TO SEND TELEGRAM TO MIN OF TRADE ZAKARIA TEWFIK ASKING FOR HIS INTERVENTION.

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 CAIRO 07010 161614Z

3. EMBASSY DOES NOT KNOW IF ALEXANDRIA SHIPPING AND NAVIGATION CO. HAS SIGNED AGENCY AGREEMENT WITH GOVERNMENT-OWNED SHIPPING AGENCY. IF SUCH AN AGREEMENT EXISTS, ACCORDING TO THE IMPLEMENTING INSTRUCTIONS SUBMITTED WITH REF B, TERMINATION PROCEDURES SPECIFIED IN THAT AGREEMENT WOULD BE BINDING.

4. LANGUAGE OF PARA 2 REFTEL AND PARTICULARLY USE OF "ASSIGNED" IMPLIES THAT NO SUCH AGENCY AGREEMENT EXISTS. IF THIS IS TRUE, ISSUE IS FURTHER CLOUDED. IF NO PRIOR AGENCY AGREEMENT EXISTS, WE DO NOT SEE ANY REASON THAT MEL SHOULD NOT ATTEMPT TO SUPPORT ITS NEW AGENT WITH THE REQUESTED CABLES TO PRESIDENT SADAT AND PM MAMDOUH SALEM. IN CONSIDERING WHETHER TO MAKE REPRESENTATIONS TO EGYPTIAN OFFICIALS, AEL SHOULD BE AWARE THAT TOP EGYPTIAN POLITICAL LEADERS WISH TO ENCOURAGE PRIVATE SECTOR AND PROVIDE EFFECTIVE COMPETITION FOR PUBLIC SECTOR COMPANIES IN ORDER THAT LATTER BECOME MORE EFFICIENT.

5. FOR THE RECORD, COML OFF AND NOT AMB ATTENDED OCT. '74 SIGNING CEREMONY IN FORMER PM HAGAZ'S OFFICE.

6. AUTHORITATIVE INTERPRETATIONS OF RELEVANT LAWS AND REGULATIONS ARE NOT AVAILABLE FROM ANY SOURCE. MOST EGYPTIAN ATTORNEYS WILL ONLY GIVE ORAL INTERPRETATIONS OF THESE NEW LAWS AND WILL NOT GIVE THEIR CLIENTS WRITTEN BRIEFS OR OPINIONS.  
MAESTRONE

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** LITIGATION, MARINE TRANSPORTATION  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 16 JUL 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975CAIRO07010  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750246-0420  
**From:** CAIRO  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750748/aaaabqrl.tel  
**Line Count:** 86  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EB  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 STATE 160400, 75 CAIRO A-22  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** CollinP0  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 14 JAN 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <14 JAN 2003 by ThomasVJ>; APPROVED <22 MAR 2004 by CollinP0>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
06 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** ALEXANDRIA SHIPPING AND NAVIGATION COMPANY, AGENT OF AMERICAN EXPORT LINES (AEL)  
**TAGS:** EWWT, EG, ALEXANDRIA SHIPPING & NAVIGATION CO  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006